(a) whether audit has observed that there was formation of cartel amongst suppliers who quoted identical rates in 117 cases at 11 Ordnance Factories;

(b) whether Rs. 500 crore worth order were placed during 2001-2006 to such cartel without ensuring reasonableness of rates quoted; and

(c) if so, the steps taken to break the cartel and ensure best economic offer?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI RAO INDERJEIT SINGH): (a) Yes, Sir. *Vide* C&AG's Report No. 19 of 2007 (Defence Services), which has been laid on the Table of the House on 24th August, 2007.

(b) The value mentioned in C&AG's Report is Rs. 472.60 crore. Before completion of the procurement contracts, the reasonableness of the price is assessed co-relating with the input material prices prevailing in the market, wholesale price index, last paid rate etc.

(c) Measures to break cartel formation are reviewed and fine-tuned on regular basis. The existing written guidelines to eliminate cartel formation were formulated by a committee in consultation with CVC in July 2007. The tender conditions as per the guidelines were modified by incorporating appropriate clauses.

Seizure of ammunition by coast guard

1664. SHRIMATI SYEDA ANWARA TAIMUR:
SHRI VIJAY J. DARDA:

Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that during February, 2007 a boat carrying suicide jackets, plastic explosives, AK rifles and live ammunition was intercepted off the coast of Tamil Nadu, as also a boat carrying 100 kg. explosive, possibly for laying land and sea mines was seized off Rameshwaram coast;

(b) if so, whether only our Coast Guard force is guarding the coastline or active assistance of Navy is also taken; and

(c) whether the soft-targets like Andaman and Nicobar islands are adequately protected, as gun running and drug trafficking from Myanmar/Bangladesh cannot be completely ruled out?

THE MINISTER OF DEFENCE (SHRI A. K. ANTONY): (a) to (c) The Coast Guard apprehended a fishing boat 'Sri Ramajayan' off Tamil Nadu coast carrying o1 AK-56 rifle, 124 rounds of ammunition, 05 hand grenades, 01 explosive laden suicide jacket alongwith some other items concealed on the both side of the boat on 13th February, 2007. Indian navy provides active assistance to Coast Guard in their surveillance/patrolling along the coast.

The security and surveillance arrangements in India's territorial waters and exclusive

economic zone has been enhanced substantially over the years. This is an on-going process. Such measures are regularly updated by the Indian Navy and the Coast Guard in corrdination with other concerned agencies.

Transfer of High Technology Weaponry by United States

1665. SHRI VIAJY J. DARDA:
SHRIMATI SHOBHANA BHARTIA:

Will the Minister of DEFENCE be pleased to state:

(a) whether in a major move, the United States has sent communication that it is ready for transfer of high technology weaponry to India including its 5th generation joint Strike Fighter F-35;

(b) whether Government's clearance that there will be no going back on military interaction with foreign forces including US, would continue;

(c) whether both India and USA has reached an agreement for supply of hi-tech weapons to India to improve the military technology; and

(d) whether Indian armed forces exercise and interaction with foreign forces are for upgradation of skills to get them acquainted with hi-tech weapons?

THE MINISTER OF DEFENCE (SHRI A. K. ANTONY): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Indian Armed Forces Exercises with Foreign Forces are being conducted with the aim of building mutual trust and confidence, enhancing military-to-military cooperation and interoperability.

These exercises also help in enhancing the capability of our Armed Forces through exchange of best practices and procedures and exposure to advanced technology/ systems.

Opinion of IN and ICG on Sethusamudram Project

†1666. SHRI VINAY KATIYAR: Will the Minister of DEFENCE be pleased to state:

(a) whether official opinion on destruction of Ramsetu/bridge under Sethusamudram project was sought from Defence Ministry, Indian Navy and Indian coast Guard;

(b) if so, the suggestion given by them and why it was kept under wraps sc far; and

(c) if not sought, why the opinion of these important Departments not being held necessary?

THE MINISTER OF DEFENCE (SHRI A. K. ANTONY): (a) to (c) Information is being collected and will be laid on the Table of the House.

†Original notice of the question was received in Hindi.